

1 November 2018

PURSUIT COMPLETES \$2 MILLION PLACEMENT

- Pursuit completes strategic placement of \$2 million
- Pursuit's Directors have committed to invest additional funds totalling \$270,000, subject to shareholder approval
- Funds will be used for a drill campaign commencing early November at Airijoki with the aim of defining a JORC Resource and to define an inferred JORC Resource and undertake a Scoping Study at Koitelainen
- The Placement was led by PAC Partners

Pursuit Minerals Ltd (ASX:PUR) has received firm acceptances for the placement of approximately 54.1 million shares at a price of A\$0.037 per share to raise \$2 million before costs.

The shares have been placed with a variety of institutional and sophisticated investors, primarily in Australia. The new shares will rank equally with existing shares and the total number of shares on issue will increase to approximately 135.5 million.

The proceeds from the placement that was led by PAC Partners will be used for development of the Company's vanadium projects in Finland and Sweden and for general working capital purposes.

Managing Director Jeremy Read said he was delighted with the strong support the company had received from investors.

"This is an excellent result for Pursuit," he said.

"It provides us with the financial resources to rapidly advance our vanadium projects in Finland and Sweden, which are excellent operating jurisdictions, supportive of the mining industry, with first-class infrastructure and well-established regulatory regimes.

"Our advanced exploration projects are highly prospective, with proven mineralisation producing high grade vanadium magnetite concentrates that are highly attractive in battery manufacturing.

"Our two key projects, Airijoki in Sweden and Koitelainen in Finland, have substantial historical drilling data available which will assist in targeting exploration efforts and will reduce costs associated with establishing JORC compliant resources.

"This gives us a significant head start in advancing our projects, just as global vanadium prices reach new records, driven by growth in demand for vanadium in steel manufacturing, but also by the rapid development of vanadium redox battery technology.

Pursuit Minerals Limited

ACN 128 806 977

☎ +61 447 379 744

📍 Suite 3, Level 7, 100 Edward Street, Brisbane QLD 4000

✉ PO Box 5807, Brisbane QLD 4000

@ info@pursuitminerals.com.au

pursuitminerals.com.au

“Having successfully completed this capital raising, we now intend to define an Inferred Mineral Resource and undertake a Scoping Study at Koitelainen and to complete a drilling campaign at Airijoki commencing early November to confirm and extend previously identified mineralisation with the aim of also defining JORC compliant resources,” Mr Reid said.

Placement details:

The Placement was conducted at \$0.037 and satisfies the pricing requirements specified under 7.3.3 and 7.1A.3 of the Listing Rules.

The Placement was offered to investors satisfying the requirements of either s708(8), 708(10) or 708(11) of the Corporations Act, and will be allocated as below:

- A. 50,000,000 of the Placement Shares will be issued pursuant to the Shareholder approval received at the Company’s Annual General Meeting held on 24 October 2018; and
- B. 4,054,055 of the Placement shares will be taken from the Company’s 10% additional placement capacity under ASX Listing Rule 7.1A.

Subscribers for the Placement Shares will, subject to shareholder approval, also receive 1 free attaching option for every three Placement Shares subscribed for (**Placement Options**). The Placement Options will have an exercise price of \$0.10, an expiry date of 30 October 2021 and the intention is to list the Placement Options for trading on ASX. Further information regarding the terms of the Placement Options is provided in Appendix 1.

Settlement of the Placement Shares is expected to occur on 6 November 2018 and trading of the Placement Shares on the ASX is expected to commence on 9 November 2018. Pursuant to ASX Listing Rule 3.10.5A, the Company states that:

- A. The dilutive effect of the New Shares on existing shareholders as a result of the Private Placement is approximately 66.35% of which 61.37% is as a result of the shares issued pursuant to the shareholder approval obtained at the Company’s Annual General Meeting, and 4.98% as a result of the shares issued under ASX Listing Rule 7.1A. Following completion of the Placement, pre-Placement security holders will hold approximately 60.11% of fully paid ordinary shares on issue;
- B. The Company considered the Placement as the most strategic, efficient and expedient method for raising these funds;
- C. Fees and costs incurred in connection with the issue include:
 - i. A Broker Fee of 6% of the total Placement amount payable to PAC Partners. This includes any sub-broker arrangements that PAC Partners may have. Subject to shareholder approval, the fee also includes the issue of 12,012,012 Placement Options to PAC Partners

Pursuit Minerals Limited

ACN 128 806 977

☎ +61 447 379 744

📍 Suite 3, Level 7, 100 Edward Street, Brisbane QLD 4000

✉ PO Box 5807, Brisbane QLD 4000

@ info@pursuitminerals.com.au

pursuitminerals.com.au

- or their nominees on the same terms as the Placement Options terms outlined in Appendix 1; and
- ii. Approximately \$20,000 in legal and associated costs.
- D. The Placement is not underwritten.

In addition to the Placement described above, the Company has entered into agreements to issue 7.297 million shares at the Placement price of \$0.037 per share with Directors (or their nominees) of the Company subject to shareholder approval in general meeting:

Director	Number of shares to be issued	Price per share	Funds to be received by the Company
Peter Wall	5,405,405	\$0.037	\$200,000
Jeremy Read	810,810	\$0.037	\$30,000
Matthew O’Kane	540,540	\$0.037	\$20,000
Ian Wallace	540,540	\$0.037	\$20,000
	7,297,295		\$270,000

Subject to shareholder approval, the Directors will also receive Placement Options on the same terms and conditions as the subscribers for Placement Shares (as described above). Further information regarding the terms of the Placement Options is provided in Appendix 1.

Pursuit anticipates that it will convene a general meeting of shareholders in mid-December to seek shareholder approval to issue the Placement Options and to approve the issue of the \$270,000 in Shares subscribed for by the Directors.

Pursuit Minerals Limited

ACN 128 806 977

☎ +61 447 379 744

📍 Suite 3, Level 7, 100 Edward Street, Brisbane QLD 4000

✉ PO Box 5807, Brisbane QLD 4000

@ info@pursuitminerals.com.au

pursuitminerals.com.au



About Pursuit Minerals

Pursuit Minerals (ASX:PUR) listed on the ASX in August 2017 following the completion of acquisition of a portfolio of projects from Teck Australia Pty Ltd, which remains Pursuit's largest shareholder. Led by a Board and Management team with a wealth of experience from all sides of minerals transactions, Pursuit Minerals understands how to generate and capture the full value of minerals resource projects. From local issues to global dynamics, Pursuit Minerals knows how to navigate project development and deliver returns to shareholders and broader stakeholders.

Pursuit's project portfolio is focussed on the emerging Energy Metal, vanadium. In 2018, through compilation and interpretation of historical data, Pursuit applied for and was subsequently granted Exploration Tenements in Sweden and Project Reservations in Finland, covering projects with historical deposits of vanadium and extensive confirmed areas of vanadium mineralisation. Finland has in the past produced up to 10% of the world's vanadium and is currently rated the number one jurisdiction globally for developing mineral projects. Sweden has a long mining history and culture and was the second country in the world where vanadium was recognised as a metal. With its Sweden and Finland projects very well positioned to take advantage of Scandinavia's world-class infrastructure, cost effective power and stable legislative frameworks, Pursuit is looking to accelerate assessment and potential development of its quality vanadium project portfolio.

With Europe rapidly transforming its energy grid to renewable energy, which will require large increases in battery storage, Pursuit's projects are well placed to participate in the energy revolution underway in the region.

For more information about Pursuit Minerals and its projects, visit:

www.pursuitminerals.com.au

– ENDS –

Pursuit Minerals Limited

ACN 128 806 977

☎ +61 447 379 744

📍 Suite 3, Level 7, 100 Edward Street, Brisbane QLD 4000

✉ PO Box 5807, Brisbane QLD 4000

@ info@pursuitminerals.com.au

pursuitminerals.com.au

SCHEDULE 1

TERMS AND CONDITIONS OF PLACEMENT OPTIONS

(subject to shareholder approval)

Pursuit Minerals Limited

ACN 128 806 977

☎ +61 447 379 744

📍 Suite 3, Level 7, 100 Edward Street, Brisbane QLD 4000

✉ PO Box 5807, Brisbane QLD 4000

@ info@pursuitminerals.com.au

pursuitminerals.com.au

1. Each Placement Option entitles the holder to one ordinary share in the Company.
2. The following Placement Options are to be issued subject to the Company receiving Shareholder approval at a general meeting of the Company to be convened as soon as practicable after the issue of the Placement Shares.
3. Each Placement Option shall have an exercise price of \$0.10 and an expiry date of 30 October 2021.
4. Placement Options not exercised before the expiry of the exercise period will lapse.
5. Options are exercisable by notice in writing to the Board delivered to the registered office of the Company and payment of the exercise price per option in cleared funds.
6. The Company will apply to ASX for official quotation of the Placement Options.
7. The Company will make application for official quotation on ASX of new shares allotted on exercise of the Placement Options. Those shares will participate equally in all respects with existing issued ordinary shares, and new shares allotted on exercise of the options will qualify for dividends declared after the date of their allotment.
8. The Placement Options will be fully transferable.
9. An option holder may only participate in new issues of securities to holders of ordinary shares in the Company if the option has been exercised and shares allotted in respect of the option before the record date for determining entitlements to the issue. The Company must give prior notice to the option holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
10. If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the option is exercisable will be increased by the number of ordinary shares which the holder of the option would have received if the option had been exercised before the record date for the bonus issue.
11. If the Company makes a rights issue (other than a bonus issue), the exercise price of options on issue will be reduced according to the following formula:

Pursuit Minerals Limited

ACN 128 806 977

☎ +61 447 379 744

📍 Suite 3, Level 7, 100 Edward Street, Brisbane QLD 4000

✉ PO Box 5807, Brisbane QLD 4000

@ info@pursuitminerals.com.au

pursuitminerals.com.au

$$A = O - \frac{E [P - (S + D)]}{(N + 1)}$$

Where:

- A = the new exercise price of the option;
- O = the old exercise price of the option;
- E = the number of underlying ordinary shares into which one option is exercisable;
- P = the average closing sale price per ordinary share (weighted by reference to volume) recorded on the stock market of ASX during the five trading days immediately preceding the ex-rights date or ex entitlements date (excluding special crossings and overnight sales and exchange traded option exercises);
- S = the subscription price for a security under the pro rata issue;
- D = the dividend due but not yet paid on existing underlying securities (except those to be issued under the pro rata issue); and
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

12. If, during the currency of the options the issued capital of the Company is reorganised, those options will be reorganised to the extent necessary to comply with ASX Listing Rules.

Pursuit Minerals Limited

ACN 128 806 977

☎ +61 447 379 744

📍 Suite 3, Level 7, 100 Edward Street, Brisbane QLD 4000

✉ PO Box 5807, Brisbane QLD 4000

@ info@pursuitminerals.com.au

pursuitminerals.com.au

Pursuit Minerals Limited

ACN 128 806 977

☎ +61 447 379 744

📍 Suite 3, Level 7, 100 Edward Street, Brisbane QLD 4000

✉ PO Box 5807, Brisbane QLD 4000

@ info@pursuitminerals.com.au

pursuitminerals.com.au